



Health Program Guide



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VALUABLE INFORMATION FOR ALL MEMBERS

CalPERS is the third largest purchaser of health care in the nation, providing benefits to more than 1.2 million public employees, retirees, and their families. Our health coverage is available to State employees as well as local public agency and school employees if their employer contracts with CalPERS to provide these benefits.

Depending on where you live or work, CalPERS offers active members and retirees three types of health plans:

- Preferred Provider Organization (PPO)
- Health Maintenance Organization (HMO)
- Exclusive Provider Organization (EPO)
(for members in certain California counties)

The specific health plans available, as well as covered benefits, monthly rates, and copayments are determined by the CalPERS Board of Administration, which reviews health plan contracts annually.

Your cost will depend on where you reside, where you work (or worked), the length of your employment, and the health plan you choose. Whether you are working or retired, your employer or former employer will make monthly contributions toward your health premiums; however, the amount of such contributions varies. To verify these amounts, active members should contact their employer and retirees should contact CalPERS.

For more details about specific health plans offered by CalPERS, please refer to the *CalPERS Health Benefit Summary*, which you can get online at www.calpers.ca.gov or by calling CalPERS at 888 CalPERS (or 888-225-7377).

Who is Eligible for the CalPERS Health Program?

Employees of the State of California and contracting public agencies may sign up for the CalPERS Health Program. In order to be eligible, you must work at least half-time and your appointment must last at least six months and one day.

New Employees

You have 60 days from the date of your initial appointment to enroll yourself and all eligible dependents in a health plan. Your coverage becomes effective the first day of the month following the date your Personnel Office or Health Benefits Officer receives your completed *Health Benefits Plan Enrollment* form (HBD-12).

State Permanent-Intermittent (PI) Employees

You must wait until you have received 480 paid hours credit at the end of a “control period.” A control period means the six-month period from January 1 through June 30, or July 1 through December 31. If you qualify in the first half of the year, the earliest date coverage may begin is August 1. If you qualify in the second half of the year, the earliest date coverage may begin is February 1 of the following year. You have 60 days from the date you qualify for health coverage to request enrollment in a health plan.



To remain qualified, you must be credited with at least 480 paid hours at the end of each control period or have at least 980 hours in two consecutive control periods (current and prior). Checkpoints to determine whether you have met the hour requirement are June 30 and December 31 of each year.

Retired Employees

You are eligible to enroll in a CalPERS health plan if you retire within 120 days of separation from employment and receive a monthly retirement allowance. If you meet this requirement, you may continue your enrollment at retirement, enroll within 60 days of retirement, or enroll during any Open Enrollment period.

If you are currently enrolled in a CalPERS health plan and want to continue your enrollment into retirement, your employer will notify CalPERS and your coverage will continue into your retirement. See page 18 for additional guidelines based on your retirement date and separation date.

Eligibility Exceptions

Certain state or public agency employees are **not** eligible for CalPERS health benefits, including:

- Those working less than half-time (please note that certain CSU employees [AB-211] and some public agencies [AB-2383] have contracted for employees working less than half-time to qualify for health benefits);
- Those appointed to a position lasting less than six months and one day;
- Those whose job classification is “Limited-Term Intermittent” (seasonal or temporary); or
- Those who are defined as “Permanent-Intermittent” and who do not meet the hour requirements within the control period.

In addition, some retirees are **not** eligible for CalPERS health benefits:

- Those whose retirement date is more than 120 days from their separation date; or
- Those whose employer does not have a contract or has terminated its contract with CalPERS.

Public agency employees should check with their agency’s Health Benefits Officer for any exceptions to eligibility for enrollment in a health plan.

Opportunities to Change Your Health Plan

Current active employees and retirees may change their health plans or add eligible family members at the following times:

- During the CalPERS Open Enrollment period: Open Enrollment occurs every fall, with changes becoming effective the following January 1. During this time, you may add other eligible family members.



VALUABLE INFORMATION FOR ALL MEMBERS (CONTINUED)

Open Enrollment

If you do not include eligible family members in your initial health plan enrollment or add them within the applicable 60-day eligibility period, you may enroll them during any future Open Enrollment period. Open Enrollment is held each fall and changes become effective the following January 1.



To make changes during Open Enrollment, active members should contact their Health Benefits Officer or Personnel Office. Retirees should complete and return the form on page 43.

- If you move: You must change plans if you move out of your health plan's service area. You may select any plan available in the ZIP code where you live or work. Until you make the change, your previous plan may limit coverage to emergency or urgent care only. When you move or change employment, you may submit your health plan change request 31 calendar days before the move, but no later than 60 days after the move. The effective date of the change will be the first of the month following receipt of your request.
- When you retire: You may change health plans within 60 days of your retirement date. You may select any plan within your residential ZIP code area. Retirees cannot use the address of the contracting agency or school employer from which they retired to establish ZIP code eligibility. The effective date of the change will be the first of the month following receipt of your request.
- When you qualify for Medicare: When you first become eligible for Medicare, you have 60 days to request to change health plans. If you are Medicare-eligible, you must enroll in a CalPERS-sponsored Medicare health plan. Your plan change will be effective on the first day of the month after you request the change. (See page 21, Medicare and CalPERS Work Together to Keep You Covered, for more information.)

To find out which health plans are available in your area, see the charts on pages 10-11.

Enrolling Eligible Family Members

The terms "family member" and "dependent" are used interchangeably. Both refer to your spouse, registered domestic partner, and eligible children under age 23. Eligible family members can be enrolled when you initially sign up for a CalPERS health plan or they can be added as described below.

Spouse

Your spouse can be added to your health plan within 60 days of your marriage date or during any Open Enrollment period. To add a new spouse, you must provide a copy of your marriage certificate and your spouse's Social Security number. Your spouse's coverage will become effective the first of the month following the date your Personnel Office or Health Benefits Officer receives your completed *Health Benefits Plan Enrollment* form (HBD-12).

Registered Domestic Partner

Your registered domestic partner may be added to your health plan within 60 days of the registration of domestic partnership or during any Open Enrollment period. When added within 60 days of registration of the partnership, the coverage will become effective the first of the month following the date your Personnel Office or Health Benefits Officer receives your completed *Health Benefits Plan Enrollment* form (HBD-12).

Registered domestic partnerships are authorized through the California Secretary of State's Office. Upon registration, the office provides a *Declaration of Domestic Partnership*. Same sex domestic partnerships between persons who are both at least age 18 and certain opposite sex domestic partnerships (one partner must be 62 years of age or older and the other partner at least 18 years of age)

are eligible to register with the Secretary of State. When applying for health plan coverage, the enrollee must provide a copy of the approved *Declaration of Domestic Partnership*.

For more information about domestic partner registration, visit the Secretary of State's Web site at www.ss.ca.gov.

Children

Your natural-born children, adopted children, and stepchildren who are under age 23 and have never been married can be added to your health plan, as outlined below:

- Newborn children can be added within 60 days of birth and are covered from the date of birth.
- Newly-adopted children can be added within 60 days of physical custody and are covered from the date of the formal adoption or placement for adoption.
- Stepchildren under age 23 who have never been married can be added within 60 days after the date of your marriage. The coverage will become effective the first day of the month following submittal of your signed *Health Benefits Plan Enrollment* form (HBD-12).

Disabled Children Over Age 23

A child over age 23 who has never been married and is incapable of self support because of a mental or physical condition that existed prior to age 23 and continuously since age 23 may be included when you first enroll, subject to approval by CalPERS.

Prior to enrollment, you must submit a *Member Questionnaire for the CalPERS Disabled Dependent Benefit* form (HBD-98) and a *Medical Report for the CalPERS Disabled Dependent Benefit* form (HBD-34). These forms must be approved by CalPERS upon enrollment and updated upon request. For further assistance, contact your Personnel Office, Health Benefits Officer or CalPERS.

Economically Dependent Children Under Age 23

Other children may be eligible if they have never been married and any of the following applies:

- You have been granted legal custody or joint legal custody of the child;
- The child resides with you (generally in the absence of the natural or adoptive parents) and is economically dependent upon you; or
- The child is the natural, adopted, step, or economically dependent child of your registered domestic partner.

Prior to the enrollment of another person's child, you must file either an *Affidavit of Eligibility* form (HBD-35) or provide a copy of the court-ordered custody document. These must be updated upon request. Coverage will become effective the first day of the month following the date your employer or CalPERS receives your signed *Health Benefits Plan Enrollment* form (HBD-12).





Survivors of an Annuitant

If a CalPERS annuitant satisfied the requirement to retire within 120 days of separation, the survivor may be eligible to enroll within 60 days of the annuitant's death or during any future Open Enrollment period. *Note: A survivor cannot add any new dependents; only dependents who were enrolled or eligible to enroll at the time of the member's death qualify for benefits.*

Surviving registered domestic partners who are receiving a monthly annuity as a surviving beneficiary of a deceased employee or annuitant on or after January 1, 2002, are eligible to continue coverage if currently enrolled, enroll within 60 days of the domestic partner's death, or enroll during any future Open Enrollment period.

Eligibility Exceptions

Certain family members are **not** eligible for CalPERS health benefits:

- Children age 23 or older;
- Children who have been married;
- Children's spouses;
- Disabled children over age 23 who were never enrolled or who were deleted from coverage;
- Former spouses;
- Grandparents;
- Parents;
- Children of former spouses; and
- Other relatives.

Split Enrollments for Married Employees or Retirees

Married employees or retirees can enroll separately. However, when married employees are enrolled in a CalPERS health plan in their own right, one parent must carry all children and dependents on one plan. Children and dependents cannot be split between parents. When split enrollments are discovered, they will be retroactively canceled. You may be responsible for all costs incurred from the date the split enrollment began.

Enrolling in Two CalPERS Health Plans

Dual CalPERS coverage occurs when you are enrolled in a CalPERS health plan as both a member and a dependent or as a dependent on two enrollments. This duplication of coverage is against the law. When dual CalPERS coverage is discovered, the enrollment that caused the dual coverage will be retroactively canceled. You may be responsible for all costs incurred from the date the dual coverage began.

However, members can be enrolled in both a CalPERS health plan and a health plan provided through **another** employer. For example, a spouse who is enrolled in a State or public agency employee's CalPERS plan may also be enrolled in the plan provided by his or her private employer. In this case, the benefits provided by each plan will be coordinated between the two plans.

It is against the law to enroll ineligible family members. If you do so, you may have to pay all costs incurred by the ineligible person from the date the coverage began.

Additional Enrollment Opportunities

New employees and their dependents may initially enroll in a CalPERS health plan as indicated in the sections above. Additional enrollment options and guidelines are described below.

The Health Insurance Portability and Accountability Act (HIPAA) was enacted in 1996. HIPAA provisions improve portability and continuity of health insurance coverage in the group insurance markets. HIPAA requirements for CalPERS took effect in January 1998. HIPAA changed enrollment policies and offers two provisions outside of the annual Open Enrollment period and the initial enrollment period for employees and family members to enroll in CalPERS health plans.

Special Enrollment

Special Enrollment refers to certain types of enrollment after your initial enrollment, but outside of the annual Open Enrollment period. You may need Special Enrollment if:

- You have changes in your marital status or responsibilities: If you have a new dependent as a result of marriage, birth, adoption, or placement for adoption, you may enroll yourself and all eligible dependents within 60 days of that event. You may also be eligible to use this Special Enrollment period under certain other limited circumstances (such as a court order to provide coverage for a minor child); or
- You decided not to enroll with CalPERS when you were first eligible: If you declined or canceled enrollment for yourself or your dependents (including your spouse) because you had other private or CalPERS health coverage at that time, you may be able to enroll in a CalPERS health plan if the other coverage ends. To qualify, you will need to request enrollment within 60 days after the other coverage ends and provide proof that the other coverage has ended.

Late Enrollment

If you decline or cancel enrollment for yourself or your dependents and do not fit in the Special Enrollment exceptions described above, your rights (or your dependents' rights) to enroll in the future will be limited. You will either have to wait for a 90-day period or until the next CalPERS Open Enrollment period. The earliest effective date of enrollment will be the first of the month following the 90-day waiting period or the January 1 following the Open Enrollment period.

Enrollment Exceptions

When you enroll, you must enroll all eligible family members. However, you may enroll the following family members either at that time or at a later date:

- A spouse not living in your home;
- Children age 18 or older;
- Eligible children who are not in your custody; or
- Dependents in the military, when they return to civilian life.

Identification Cards

You will need your health plan identification card when you seek medical care.

Identification cards are issued by each health plan, not by CalPERS. You should contact your health plan directly if:

- You do not receive your card by the end of each year for the following benefit year;
- You need care before your card arrives; or
- You need additional cards.



How Life Changes Can Affect Your Health Benefits

It is your responsibility to ensure that the health enrollment information about you and your dependents is accurate, and to report any necessary changes to your employer in a timely manner. If you fail to maintain current and accurate health enrollment information, you may be liable to retroactively reimburse your employer for premiums in excess of six months from the date the change should have been reported.

Following are some of the changes you (or your dependents, in the event of your death) should report to CalPERS so we can make the appropriate change to your health coverage. Active members should contact their Personnel Office or Health Benefits Officer. Retirees should contact CalPERS directly at **888 CalPERS** (or 888-225-7377).

Change in Marital Status or Termination of Domestic Partnership

Changes in marital status as a result of marriage, divorce, or death may affect your health plan dependents. Domestic partnerships or dissolution of domestic partnership registration may also result in changes. These changes require you to notify your employer or CalPERS.

When you divorce or dissolve a domestic partnership, your former spouse or domestic partner is no longer eligible to receive CalPERS health benefits under your coverage. The coverage terminates on the last day of the month in which the final divorce decree or termination of registered domestic partnership is granted. A copy of the final *Divorce Decree* or *Termination of Domestic Partnership* is required when you delete a former spouse or domestic partner from your health plan.

Death of a Spouse, Domestic Partner, or Dependent

The death of a spouse, domestic partner, or dependent must be reported to your employer or CalPERS as soon as possible.

Death of a Member

The death of a member requires the surviving spouse, registered domestic partner, or a family member to notify CalPERS at **888 CalPERS** (or 888-225-7377). If the member was still working, the member's employer should also be notified.

Upon the death of an employee while in State service, the law requires the State employer to continue to pay contributions for the survivor's or registered domestic partner's health coverage for up to 120 days after the employee's death. Surviving family members will be eligible for health benefit coverage, provided they:

- Qualify for a monthly survivor check from CalPERS; and
- Were an eligible dependent at the time of the member's death and continue to qualify as eligible family members.

Surviving family members who do not meet the above qualifications may be eligible for COBRA (See the COBRA section on page 12).

Children of registered domestic partners may have continued eligibility if they were enrolled as family members at the time of a member's death.

What is the Best Way to Choose a Health Plan?

While CalPERS provides a variety of health plans, only you can decide which is best for you and your family. Although cost is a key factor in choosing a health plan, as with other major purchases, you'll want to consider other factors, such as the available doctors and hospitals in your area, the location of care facilities, etc. If you or your dependents have chronic health problems requiring ongoing management, you may want to explore which plans provide access to the appropriate care. The best plan for you will be the one that works for your specific situation.

When you choose a health plan, be sure to review the plan's covered and non-covered services and the restrictions on your choice of providers. If you receive non-covered services for HMO members or use a provider outside the plan's network, you will have to pay for the service (except for emergency or urgent care).

CalPERS has several resources available to assist you in making your health plan choice.

Health Plan Chooser

If you have Internet access, you may want to use the online *Health Plan Chooser*. This tool allows you to rank health plans by cost, doctors, member satisfaction, and covered services. You can find the *Health Plan Chooser* on CalPERS Web site at www.calpers.ca.gov. *Health Plan Chooser* is the do-it-yourself way to make your health plan and provider decisions. To get to the *Health Plan Chooser* from the CalPERS Web site:

- Select the **For Members** option
- Select your **Member View**
- Select the **Chooser** link in the Shortcuts menu on the right side navigation bar

Health Plan Choice Worksheet

If you prefer, you may use the *Health Plan Choice Worksheet* on page 44 of this booklet. This worksheet will help you compare factors such as cost, benefits, quality, performance, satisfaction, and administration. To use the Worksheet, go through the steps listed in the left column of the Worksheet. Some answers will be a simple "yes" or "no," while others will require you to insert information or to call the health plan. If you need assistance completing this form, contact CalPERS at **888 CalPERS** (or 888-225-7377).

The Quality Report

Another tool that may be helpful is our booklet *The Quality Report*, which provides information about how CalPERS members rank health plans in several key areas. You can obtain the booklet online at www.calpers.ca.gov or by calling **888 CalPERS** (or 888-225-7377).

Check Your Health

Plan Deduction

When you change health plans, enroll for the first time, or add dependents, you should carefully check your paycheck stub or retirement check to verify that the premium is being paid to the correct health plan.

If you change plans during Open Enrollment but do not see your new plan's premium payment, do not use the services of your prior plan. To report the discrepancy, active members should contact their employer's Health Benefits Officer or Personnel Office and retirees should contact CalPERS.

A \$0.00 deduction for your health plan showing on your pay stub means that your employer (or former employer) is paying the entire premium on your behalf. If you change plans, you should check to make sure the new plan name is listed.

Chart Legend

- Health plan covers all or part of county.
- + Some ZIP codes in this county are not available to new enrollment.
- ❖ The Blue Shield EPO Plan serves Colusa, Lake, Mendocino, Plumas, Sierra, and parts of El Dorado counties only. The Blue Shield EPO plan offers the same covered services as the HMO plan, but members must seek services from the Blue Shield PPO network of providers. Members are not required to select a personal physician.

Health Plan Service Areas

To determine if the plan you are considering provides service where you live or work, find your county and follow the dots to see which plans are available. You should contact the plan before you enroll to make sure they currently cover your ZIP code and that their provider network is accepting new patients in your area. You may also use our online service, the **Health Plan Search by ZIP Code**, available at www.calpers.ca.gov.

| County | Blue Shield HMO & EPO | CAHP | CCPOA (North) | CCPOA (South) | Kaiser Permanente | PERS Choice | PERSCare | PORAC | Western Health Advantage |
|--------------|-----------------------|------|---------------|---------------|-------------------|-------------|----------|-------|--------------------------|
| Alameda | • | • | • | | • | • | • | • | |
| Alpine | | • | | | | • | • | • | |
| Amador | | • | | | • | • | • | • | |
| Butte | • | • | • | | | • | • | • | |
| Calaveras | | • | | | | • | • | • | |
| Colusa | ❖ | • | | | | • | • | • | • |
| Contra Costa | • | • | • | | • | • | • | • | |
| Del Norte | | • | | | | • | • | • | |
| El Dorado | ❖ • | • | + | | • | • | • | • | • |
| Fresno | • | • | • | | • | • | • | • | |
| Glenn | • | • | • | | | • | • | • | |
| Humboldt | | • | | | | • | • | • | |
| Imperial | • | • | • | | | • | • | • | |
| Inyo | | • | | | | • | • | • | |
| Kern | • | • | • | + | • | • | • | • | |
| Kings | • | • | • | | • | • | • | • | |
| Lake | ❖ | • | | | | • | • | • | |
| Lassen | | • | | | | • | • | • | |
| Los Angeles | • | • | | • | • | • | • | • | |
| Madera | • | • | • | | • | • | • | • | |
| Marin | • | • | • | | • | • | • | • | |
| Mariposa | • | • | | • | • | • | • | • | |
| Mendocino | ❖ | • | | | | • | • | • | |
| Merced | • | • | • | | | • | • | • | |
| Modoc | | • | | | | • | • | • | |
| Mono | | • | | | | • | • | • | |
| Monterey | | • | | | | • | • | • | |
| Napa | • | • | • | | • | • | • | • | |

Important . . .

You must live or work in the geographic service area of the health plan in order to enroll or remain enrolled in that plan.

| County | Blue Shield HMO & EPO | CAHP | CCPOA (North) | CCPOA (South) | Kaiser Permanente | PERS Choice | PERSCare | PORAC | Western Health Advantage |
|-----------------|-----------------------------|------|------------------|------------------|----------------------|-------------|----------|-------|--------------------------------|
| Nevada | • | • | + | | | • | • | • | |
| Orange | • | • | | • | • | • | • | • | |
| Placer | • | • | + | | • | • | • | • | • |
| Plumas | ❖ | • | | | | • | • | • | |
| Riverside | • | • | | • | • | • | • | • | |
| Sacramento | • | • | • | | • | • | • | • | • |
| San Benito | | • | | | | • | • | • | |
| San Bernardino | • | • | | + | • | • | • | • | |
| San Diego | • | • | | • | • | • | • | • | |
| San Francisco | • | • | • | | • | • | • | • | |
| San Joaquin | • | • | • | | • | • | • | • | |
| San Luis Obispo | • | • | | • | | • | • | • | |
| San Mateo | • | • | • | | • | • | • | • | |
| Santa Barbara | • | • | | • | | • | • | • | |
| Santa Clara | • | • | • | | • | • | • | • | |
| Santa Cruz | • | • | • | | | • | • | • | |
| Shasta | | • | | | | • | • | • | |
| Sierra | ❖ | • | | | | • | • | • | |
| Siskiyou | | • | | | | • | • | • | |
| Solano | • | • | • | | • | • | • | • | • |
| Sonoma | • | • | • | | • | • | • | • | |
| Stanislaus | • | • | • | | • | • | • | • | |
| Sutter | | • | | | • | • | • | • | |
| Tehama | | • | | | | • | • | • | |
| Trinity | | • | | | | • | • | • | |
| Tulare | • | • | • | | • | • | • | • | |
| Tuolumne | | • | | | | • | • | • | |
| Ventura | • | • | | • | • | • | • | • | |
| Yolo | • | • | • | | • | • | • | • | • |
| Yuba | | • | | | • | • | • | • | |
| Out-of-State | | • | | | • | • | • | • | |



Selecting a Primary Care Provider (PCP) or Medical Group

When you enroll in or change plans to an HMO, you may have to select a new Primary Care Provider or medical group. Each family member may choose a different PCP. You may choose your PCP from the following physician types: general practice, family practice, internist, pediatrician, and obstetrician/gynecologist. Each plan's provider directory lists available PCPs and their specialties. Call the plan to make sure the PCP is still in their physician network. Most PCPs will refer patients to specialists within their own medical group or independent practice association.

Make sure the PCP you want will take you as a patient before notifying your plan. List your PCP or medical group on your *Health Benefits Plan Enrollment* form (HBD-12). If you don't, the plan will assign a PCP for you and each family member.

When you enroll in a health plan, services are provided through that health plan's delivery system. The continued participation of any one doctor, hospital, pharmacy, or other provider cannot be guaranteed.

Understanding Health Plan Availability

Active employees and working CalPERS retirees may enroll in a health plan using either their home or work ZIP code. If the home ZIP code is used, all enrolled dependents must live in the health plan's service area. If the work ZIP code is used, all enrolled dependents must receive all covered services (except emergency and urgent care) within the health plan's service area, even if they do not live in that service area.

Retired CalPERS members may select any plan in their residential ZIP code area. Retirees cannot use the address of the contracting agency or school employer from which they retired to establish ZIP code eligibility unless it is a non-CalPERS covered employer.

Continuing Your Benefits if You Lose Coverage

If you lose your CalPERS coverage, you have two options to continue your health benefits: COBRA or an Individual Conversion Policy.

Consolidated Omnibus Budget Reconciliation Act (COBRA)

COBRA continuation coverage allows you to continue health coverage for yourself and your dependents if you leave your group plan or become ineligible for health benefits. You will be automatically notified by your employer if you are eligible for COBRA. You must submit a *Group Continuation Coverage* form (HBD-85) within 60 days of notification. Your cost is 102 percent of the group monthly premium rate. Coverage must be continuous, and you will be required to begin to pay premiums from the date your CalPERS coverage ended. Premium payments should be sent to the health plan, not to CalPERS.



Guidelines for COBRA continuation coverage are as follows:

Active Members

You can continue COBRA coverage for 18 months if either of the following applies:

- You separate from employment for reasons other than dismissal due to gross misconduct; or
- You have a reduction in work hours to less than half time (or less than 480 hours in a control period for State Permanent-Intermittent employees).

Coverage for these reasons applies to you and any dependents currently enrolled under your eligibility.

Disabled Members

If you are recognized as disabled through Social Security or the Supplemental Security Income (SSI) program, coverage may be continued for up to 29 months. The cost to you is 102 percent of the premium for the first 18 months, and 150 percent of the premium for months 19 to 29. This COBRA coverage applies to you and any dependents currently enrolled under your eligibility.

Dependents

Dependents may also enroll in COBRA for up to 36 months as a result of any of the following:

- Death of the member under which they were dependents. Eligibility applies whether the member was working or retired at the time of death (dependent must have been enrolled in the plan at the time of member's death);
- Divorce or legal separation; or
- Enrolled child who marries or reaches age 23

Termination of COBRA Coverage

COBRA coverage for you or your dependents remains in effect until one of the following events occurs:

- Failure to pay the premium;
- You receive coverage by another group health plan;
- You become entitled to Medicare; or
- Coverage time limit ends.

Individual Conversion Policy

An Individual Conversion Policy is an alternative to COBRA or can follow COBRA coverage. If you lose your CalPERS health benefits or COBRA coverage, you can request an Individual Conversion Policy through your prior health plan. You must request this new policy within 30 days of losing coverage. All CalPERS health plans offer this Individual Conversion Policy option, but your cost for it will differ from the cost of your previous coverage.





Continuation of Group Coverage After COBRA (Cal-COBRA)

Under certain conditions, California law permits an extension of COBRA benefits.

Completion of Federal COBRA Coverage

When an individual uses up his or her federal COBRA benefit and has had less than 36 months of COBRA coverage, Cal-COBRA can extend the benefit up to a total of 36 months. This Cal-COBRA extension premium cannot exceed 110 percent of the current group rate.

Continuation to Meet Medicare Eligibility

Some older employees and their spouses can get health coverage through Medicare or another health plan. This coverage only applies if both of the following conditions are met:

- The employee worked for the former employer for the prior five years and was 60 years of age (but under 65) on the date their employment ended; and
- The former employee was eligible for and elected COBRA coverage for self or self and spouse. If elected, this coverage would begin after the COBRA coverage ends and would be administered under the same terms and conditions as if COBRA had remained in force.

If you or your dependents are eligible for Medicare prior to losing CalPERS benefits, you or your dependents are eligible for COBRA. Medicare would be your primary health insurer, and your Medicare-coordinated group plan would be secondary.

Cancellation of Your Coverage and CalPERS Administrative Review Process

If your CalPERS health coverage is canceled, you can request an Administrative Review. The Administrative Review process helps us decide if your CalPERS coverage should be reinstated. You must ask for an Administrative Review within 90 days of losing coverage. To ask for an Administrative Review, write to:

CalPERS

Office of Employer and Member Health Services

P.O. Box 942714

Sacramento, CA 94229-2714

Once we have all of your information, we will review your request. We will tell you within 60 days if your coverage will be reinstated. If it is not reinstated, we will tell you why.

HEALTH PLAN INFORMATION FOR ACTIVE MEMBERS

Basic Health Plan Choices

Depending on where you live or work, your health plan options may include three types of Basic plans:

- Preferred Provider Organization (PPO)
- Health Maintenance Organization (HMO)
- Exclusive Provider Organization (EPO)

Preferred Provider Organization (PPO) Plans

- PERS Choice
- PERSCare
- California Association of Highway Patrolmen (CAHP) Health Plan*
- Peace Officers Research Association of California (PORAC) Police and Fire Health Plan*

A PPO is similar to a traditional “fee-for-service” plan, but you must use doctors in the PPO provider network or pay higher co-insurance (percentage of charges). Unlike an HMO, where a primary care physician directs all your care, a PPO allows you to select a primary care provider and specialists without referral. In these plans, you must usually meet an annual deductible before some benefits apply. You are responsible for a certain co-insurance amount, and the plan pays the balance up to the allowable amount.

Except for emergency and urgent care, when you use a non-preferred provider, you are responsible for any charges above the amount allowed for preferred providers.

Health Maintenance Organization (HMO) Plans

- Blue Shield Access+ HMO
- Kaiser Permanente
- Western Health Advantage
- California Correctional Peace Officers Association (CCPOA) Medical Plan*

HMOs offer members a range of health benefits, including preventive care. The HMO will give you a list of doctors from which you select a primary care provider (PCP). Your PCP coordinates all your care, including referrals to specialists.

Except for emergency and urgent care, if you obtain care outside the HMO’s provider network without a referral from the plan, you will be responsible for the total cost of services.

You must use doctors in the PPO provider network or pay higher co-insurance (percentage of charges).



* You must belong to the specific employee association and pay applicable dues to enroll in this plan.

Exclusive Provider Organization (EPO) Plan

- Blue Shield EPO

The Blue Shield EPO serves only Colusa, Lake, Mendocino, Plumas, Sierra, and parts of El Dorado counties. The plan offers the same covered services as the Blue Shield Access+ HMO plan, but members must seek services from Blue Shield's statewide PPO network of preferred providers. Members are not required to select a personal physician.

For each of these Basic plan options (PPO, HMO, and EPO), when you enroll or make any changes to your enrollment, your employer's Health Benefits Officer or Personnel Office must complete a *Health Benefits Plan Enrollment* form (HBD-12) through the CalPERS ACES system or file it manually. If your employer uses the ACES system, your enrollment will be received by your health plan the next day. If your employer files the HBD-12 manually, it will take longer.

How Changes in Employment Status Can Affect Your Eligibility

As your employment status changes, so can your eligibility for CalPERS health benefits. Following are examples of some of those changes and information on how you can maintain your health coverage eligibility.

Off Pay Status

You may continue your coverage while on off-pay status or while on temporary leave by paying the entire monthly premium directly to your health plan. You are eligible for direct payment if you:

- Take a leave of absence without pay;
- Take temporary disability leave and do not use sick leave or vacation time;
- Are waiting for approval of disability retirement or "regular" service retirement;
- Are waiting for approval of Non-Industrial Disability Insurance benefits;
- Are suspended from your job or institute legal proceedings appealing a dismissal from your job; or
- Are a State Permanent-Intermittent employee eligible for health benefits, but are in a non-pay status. (Direct pay may only be elected through the end of the qualifying control period.)

To initiate direct payment, contact your employer for a *Direct Payment Authorization* form (HBD-21). Requests for such payments must be submitted to your employer prior to the beginning of your leave, but no later than the last day of the month of coverage. If you do not elect the direct payment option while on off-pay status, your health benefits will stop. Your health benefits will be reinstated when you return to pay status if your earnings are sufficient to cover your share of the monthly premium.



Military Duty

When you take a leave of absence for military duty, you may continue coverage by making direct payments to your health plan. When you direct pay, there are no administrative costs and your employer does not contribute to your health premium. Your CalPERS health coverage will resume the day you return to pay status.

Public agency employees should check with their agency's Health Benefits Officer to coordinate continuation of coverage.

Leaving Your Job

If you leave your job for reasons other than retirement, your coverage will continue through the month that you leave, and then it will terminate. If you have sufficient earnings to cover your share of the premium, your coverage will continue for one month after you leave. If you cancel your coverage when you leave your job, your benefits will not continue, and you will not be eligible for COBRA group continuation coverage. (See page 12 for more information about COBRA.)

If you leave your job, but return within less than one full pay period, your coverage will be continuous. Be sure to notify your employer's Health Benefits Officer or Personnel Office if the deductions from your paycheck do not resume.

If you leave your job and return after one full pay period has passed, you may re-enroll. You will go back into the health plan in which you were previously enrolled. You may not change plans until the next Open Enrollment period.

Public Agency employees are covered until the first day of the second month following the last date of employment.

Out-of-State Plan Choices

The following CalPERS health plans are available to Basic and Medicare-eligible members living outside of California:

- PERS Choice (PPO)
- PERSCare (PPO)
- Kaiser Permanente (HMO) is available in parts of Colorado, Georgia, Hawaii, Maryland, Ohio, Oregon, Virginia, Washington, and Washington D.C. Costs and some benefits may vary outside of California. For information on eligible ZIP codes, service areas, and benefits, call Kaiser in your state.
- California Association of Highway Patrolmen (CAHP) Health Plan* (PPO) (out-of-state benefits are more limited than those offered in California)
- Peace Officers Research Association of California (PORAC) Police and Fire Health Plan* (PPO)



* You must belong to the specific employee association and pay applicable dues to enroll in this plan.

HEALTH PLAN INFORMATION FOR MEMBERS WHO ARE RETIRING OR RETIRED

How Retirement Affects Your Health Benefits

If you are nearing retirement, you should read this section to gain an understanding of how retirement will affect your health benefits. Any questions can be directed to your Health Benefits Officer or Personnel Office.

Once you are retired, contact CalPERS if you have any questions about your health benefits or if you need to make changes to your plan or dependents. If you are retired and are nearing eligibility for Medicare, please read the section beginning on page 21 for additional information.

Your Separation Date and Your Retirement Date

As retirement approaches, you should check your calendar to determine the best way to maintain your health coverage. Two dates are particularly important: your separation date and your retirement date. If you are not sure when these dates occur, talk to your employer. Following are your health plan enrollment options when you retire:

- **If your separation date and your retirement date are within 30 days of each other, and you are enrolled in a CalPERS health plan at the time of retirement:** Your coverage will continue into retirement without a break. If you do not want your health benefits to continue into retirement, you need to cancel your coverage by submitting a *Health Benefits Plan Enrollment* form (HBD-12) through your employer.
- **If your separation date and your retirement date are between 30 and 120 days of each other:** Your coverage will not automatically continue, but you may re-enroll by either:
 - Writing to the CalPERS Office of Employer and Member Health Services within 60 days of your retirement date and requesting re-enrollment, or
 - Waiting for the next Open Enrollment period. During Open Enrollment, complete and submit the form on page 43. This form can also be used by retirees to change health plans or eligible dependents during Open Enrollment. Open Enrollment is held each fall and changes become effective the following January 1.

You can avoid having your coverage suspended between your last day of work and your retirement date by paying the full monthly premium. Contact the Health Benefits Officer where you worked and ask for a *Direct Payment Authorization* form (HBD-21).

- **If you are NOT enrolled in a health plan at retirement and meet the requirement to retire within 120 days of separation:** You may enroll within 60 days of retirement or during a future Open Enrollment period. Contact your Health Benefits Officer for assistance.
- **If you separate and do not retire within 120 days:** You are not eligible for coverage. There are some exceptions to this rule for exempt State employees. Contact CalPERS at **888 CalPERS** (or 888-225-7377) if you have questions about your eligibility.

Two Ways to Obtain CalPERS Forms

You may obtain all CalPERS forms by visiting our Web site at www.calpers.ca.gov or by calling **888 CalPERS** (or 888-225-7377).

Mail any requests for changes and necessary documentation to:

CalPERS
Office of Employer and
Member Health Services
P.O. Box 942714
Sacramento, CA 94229-2714

- **If you are retiring within 90 days of your own or your spouse's 65th birthday:** Contact the Social Security Administration (SSA) to check your eligibility for Medicare Part A and to get information about signing up for Medicare Part B. In addition to signing up for Medicare, you will have to change from a Basic health plan to a plan that combines your Medicare benefits with your CalPERS-sponsored health benefits. (See page 21 for a description of how a CalPERS-sponsored Medicare plan works with Medicare to keep you covered.)
- **If you were covered as a dependent through another member's CalPERS health plan when you retired or you canceled coverage to participate in the State's FlexElect Program:** You may be eligible to enroll in a CalPERS health plan. Contact CalPERS for more information.

Making Changes to Your Health Plan After Retirement

Once you retire, CalPERS functions as your Health Benefits Officer or Personnel Office. This means you can make most changes to your health enrollment by calling CalPERS at **888 CalPERS** (or 888-225-7377). For some changes, we will ask you to send us additional information, as indicated in the list below.

If you prefer, you can correspond with us in writing. Please include your (or the member's) name, Social Security number, and daytime phone number with area code. Be sure to include the following information when you request changes:

- Changing your address: Include both the old and new address.
- Adding or deleting a dependent: Include the dependent's name, Social Security number, birth date, relationship to member, and reason you are adding or deleting the dependent.
- Adding a spouse due to marriage: Include a copy of the *Marriage Certificate* with your request.
- Deleting a spouse due to divorce: Include a copy of the *Divorce Decree* with your request.
- Adding a domestic partner: Submit a copy of the *Declaration of Domestic Partnership*, which has been approved by the California Secretary of State's Office.
- Deleting a domestic partner: Submit a copy of the *Termination of Domestic Partnership*, that you submitted to the California Secretary of State's Office.
- Adding an economically dependent child: Complete an *Affidavit of Eligibility* form (HBD-35), which is available from CalPERS.
- Applying for a CalPERS-sponsored Medicare plan: Submit a *Certification of Medicare Status* form to validate Medicare eligibility, ineligibility, or deferral. Contact CalPERS to obtain this form. (For more information see the section, Medicare and CalPERS Work Together to Keep You Covered, beginning on page 21.)





State Vesting Requirements

For State employees, “vesting” refers to the amount of time you must be employed by the State in order to be eligible to receive employer contributions toward the cost of the monthly health premium during retirement. The longer you worked in a “covered” service, the more your employer contributes. (Bargaining unit negotiations may affect the State’s vesting requirements. State vesting requirements do not apply to California State University (CSU) retirees, employees of the Legislature, public agency retirees, or those on disability retirement.)

The amount the State contributes toward your health coverage depends on whether you are vested. The contribution amount is determined by a formula set by law and the date you were first employed by the State.

- **First hired by the State prior to January 1, 1985:** You are eligible to receive 100 percent of the State’s contribution toward your health premium upon your retirement.
- **First hired by the State between January 1, 1985 and January 1, 1989:** You are subject to vesting requirements, as follows:
 - 10 years of service: You are fully vested and qualify for 100 percent of the State’s contribution toward your health premium.
 - Less than 10 years of service: You are eligible for health coverage; however, the State’s contribution will be reduced by 10 percent for each year of service under 10 years. You will be responsible for the additional cost.
- **First hired on or after January 1, 1985:** If you are an employee of the Judicial Branch, you are subject to the 10 years’ vesting requirement.
- **First hired by the State after January 1, 1989:** The percentage of the State’s contribution is based on your completed years of State credited service as follows:

| Years of Credited Service | State Contribution |
|---------------------------|--|
| Less than 10 | 0% |
| 10 | 50% |
| 10 – 19 | 50%, plus 5% added for each year after the 10th year |
| 20 or more | 100% |

MEDICARE AND CALPERS WORK TOGETHER TO KEEP YOU COVERED

Medicare is a federal health insurance program that covers seniors age 65 and older. Medicare also covers some younger persons with disabilities or End-Stage Renal Disease (ESRD is permanent kidney failure). *If you are an Active employee covered under a CalPERS-sponsored health plan you cannot be enrolled in a CalPERS-sponsored Medicare plan.*

Medicare has three “parts,” or kinds of coverage:

- Part A – hospital insurance
- Part B – outpatient medical insurance
- Part D – prescription drug insurance

Medicare Part A is free for most people (who have worked or who have/had a spouse who worked at least 10 years in Social Security-Medicare covered employment). Part A pays for the costs of inpatient hospital stays, skilled nursing facilities, hospice care, and some home health care services. If you do not qualify for Part A, you may pay a premium to get Part A benefits. (For more details about Medicare benefits, read the Medicare handbook, *Medicare & You*, contact the Social Security Administration (SSA) at 800-772-1213 or visit their Web site at www.ssa.gov.)

Medicare Part B pays for outpatient medical care such as doctor visits. You must pay the monthly Part B premium. The premium is set by the federal Medicare program and can change each year. Some individuals under age 65 qualify for Part B due to Social Security-determined disability, and everyone qualifies for Part B at age 65.

CalPERS retired members who qualify for premium-free Part A, either on their own or through a spouse (current, former, or deceased), must sign up for Part B as soon as they qualify for Part A. They must then enroll in a CalPERS-sponsored Medicare plan.

When you retire and are age 65 or older or if you become disabled before age 65 (as defined by the SSA) and become eligible for premium-free Medicare Part A, you must sign up for Medicare Part B. At that time, you must also switch from your CalPERS Basic health plan to a CalPERS-sponsored Medicare plan or Managed Medicare plan (Medicare Advantage) in order to keep your health coverage through CalPERS.

Medicare Parts A and B will pay many of your health care costs, but they will not pay all costs. The CalPERS-sponsored Medicare plan will help you pay for costs not paid by Medicare, by coordinating your benefits. If you do not sign up for both Parts A and B, your CalPERS health coverage will be canceled. Enrollment by you or your family members in a CalPERS-sponsored Medicare plan or Medicare Managed Care plan (Medicare Advantage) will not affect other family members who are covered by the Basic plan. Any family members who do not qualify for Medicare will continue to be covered under the CalPERS Basic plan.



Important Reminder

- If you or your family members are in a CalPERS-sponsored Medicare plan, you may not change back to the CalPERS Basic plan. This rule does not apply if SSA cancels your Medicare benefits, or you permanently move outside the United States.

When Should You Start Coordinating Benefits?

Upon your retirement and three months before you turn 65, CalPERS will mail you a notice informing you that it is time to begin coordinating your Medicare and CalPERS benefits. This notice will include a *Certification of Medicare Status* form. We use this form to obtain information from you about whether you qualify for Medicare and if you are enrolled in Medicare Parts A and B. You can also use the form to tell us that you do not qualify for premium-free Medicare Part A or that you are not applying for Medicare at this time because you or your spouse are still working and are covered by an employer-provided group health plan.

You must return the completed form to CalPERS by the last day of the month in which you turn 65. For example, if you turn 65 on December 15, 2007, we must receive the form by December 31, 2007.

If you do not return the *Certification of Medicare Status* form by the end of your birth month, you will lose your CalPERS health coverage. In this case, your coverage would end on the first day of the month after you turn 65. If you lose your CalPERS health coverage, you would be required to pay for any hospital or medical services you use.

If you lose your coverage, you can enroll in a CalPERS health plan again only by proving that you have signed up for Medicare and completing the *Certification of Medicare Status* form.

How Do You Coordinate Benefits?

If you are a retiree, you must take the following steps to coordinate your CalPERS and Medicare benefits:

- Find out whether you qualify for premium-free Medicare Part A by referring to your Social Security Statement *Letter of Entitlement*, or calling the SSA at 800-772-1213.
- If you do not qualify for Part A, based on your work or that of a spouse (current, former, or deceased), see Exception 1 on page 26.
- If you qualify for Part A, you must enroll in Part B as soon as you are first eligible.
- Complete the CalPERS *Certification of Medicare Status* form, including your Medicare information, and return it to CalPERS. (You must complete the form even if you are not eligible for Medicare.)
- Once you are enrolled in Parts A and B, you must then enroll in a CalPERS-sponsored Medicare plan. You may remain in your current health plan or you may select a different plan. (Descriptions of CalPERS-sponsored Medicare plan choices begin on page 23.)

Important Information About Medicare Part D

On January 1, 2006, the federal Medicare program began offering a new outpatient prescription drug benefit to Medicare beneficiaries known as “Medicare Part D.” Here is what CalPERS members need to know about this benefit:

- **CalPERS members SHOULD NOT enroll separately in Medicare Part D in 2007.** If you do, your or your dependents’ health coverage will be canceled. Since CalPERS prescription drug coverage is as good as or better than what is available under Medicare Part D, most CalPERS members

do not need it. CalPERS Medicare-eligible members only need to enroll in a CalPERS-sponsored Medicare plan following the procedures and requirements discussed in this booklet.

- **CalPERS members will experience NO change in their CalPERS prescription drug benefit.** Members enrolled in CalPERS-sponsored Medicare plans already have comprehensive prescription drug coverage through their plans. For 2007, CalPERS will continue providing drug coverage to all members enrolled in a CalPERS-sponsored Medicare plan.
- **Prescription drugs covered under Medicare Part A and B will not be affected by Part D.** Parts A and B cover prescription drugs that you receive at the time of a medical visit or procedure, or while you are a patient in the hospital. This coverage will not change.
- **Some CalPERS members with low incomes and limited assets may be eligible for federal assistance through Medicare Part D.** Individuals with low income and limited assets may be able to get help through a federal assistance program that reduces the cost of premiums, copayments, and deductibles. For more information or to find out if you are eligible, contact the SSA at 800-772-1213 or visit their Web site at www.ssa.gov. You may also contact the Health Insurance Counseling and Advocacy Program (HICAP) at 800-434-0222.

CalPERS-Sponsored Medicare Health Plan Choices

Your health plan choices depend on where you live. Upon reaching age 65, if you do not specifically choose which CalPERS-sponsored Medicare plan you want, you will automatically be enrolled in your current (Basic) health plan's Medicare plan.

Preferred Provider Organization (PPO) Supplement to Medicare Plans

- PERS Choice
- PERSCare
- California Association of Highway Patrolmen (CAHP) Health Plan*
- Peace Officers Research Association of California (PORAC) Police and Fire Health Plan*

With these plans, your provider bills Medicare for most services, and your health plan pays for some services not covered by Medicare. If your doctors are preferred providers and participate in Medicare, your health plan will pay most bills for Medicare-approved services. If any of your doctors are “non-preferred providers,” you will have to pay for a larger portion of your health care bills. You can find out if you will have to pay more by asking your doctors if they accept “Medicare assignment.” This means that they accept the Medicare limits on fees for services and will not charge more than those limits. If the doctor accepts Medicare rates, you will not be responsible for excess charges. If your doctor does not accept Medicare rates, you must pay for any part of the bill that your plan does not cover.



* You must belong to the specific employee association and pay applicable dues to enroll in this plan.

**MEDICARE AND CALPERS
WORK TOGETHER TO KEEP
YOU COVERED (CONTINUED)**

Your responsibility for filing a claim for services depends on your PPO Supplement to Medicare plan and if the providers accept Medicare assignment. In most cases, your doctor, Medicare, or the health plan will coordinate claim payments.

Some doctors opt out of Medicare and ask you to sign a contract stating the doctor has opted out of Medicare, and you agree to pay the doctor's charges. Neither Medicare nor CalPERS PPO Supplement to Medicare plans allow any payment for doctors who have opted out of Medicare.

If a doctor has been excluded from Medicare, that is, no longer receives payments for items or services from Medicare, no payment will be made under your CalPERS PPO Supplement to Medicare plan.

Health Maintenance Organization (HMO) Supplement to Medicare Plans

- Blue Shield Access+ HMO
- Western Health Advantage
- California Correctional Peace Officers Association (CCPOA) Health Plan*

With this type of plan, you must use the plan's contracted providers, except for emergency or out-of-area urgent care services. You pay no additional costs, other than applicable copayments when you receive pre-authorized services from the HMO's contracted providers. The plan's providers bill Medicare for each visit or service. The plan reimburses providers for some services not covered by Medicare.

In an HMO Supplement to Medicare plan, you will receive nearly all services from the HMO's providers and will only be responsible for applicable copayments. Your primary care provider will coordinate all your medical care and approve visits to specialists. You will have little or no paperwork to complete. You keep costs low by seeing doctors and specialists who are part of the HMO's network.

You may use your Medicare card to obtain services outside of your HMO network. However, when you use non-contracting providers, you are responsible for any copayments or deductibles not covered by Medicare (except for emergency or out-of-area urgent care services).

Exclusive Provider Organization (EPO) Supplement to Medicare Plan

- Blue Shield EPO

The Blue Shield EPO Supplement to Medicare plan serves only Colusa, Lake, Mendocino, Plumas, Sierra, and parts of El Dorado counties. The plan offers the same covered services as the HMO plan, but members must seek services from Blue Shield's statewide PPO network of preferred providers. Members are not required to select a personal physician. The plan's providers bill Medicare for each visit or service, and the plan reimburses providers for approved services not covered by Medicare.

* You must belong to the specific employee association and pay applicable dues to enroll in this plan.



Just as with an HMO Supplement plan, you may use your Medicare card to obtain services outside your EPO plan's network. However, when you use non-contracting providers, you are responsible for copayments or deductibles not covered by Medicare.

HMO Medicare Managed Care Plan (Medicare Advantage)

- Kaiser Permanente Senior Advantage

With an HMO Medicare Managed Care plan (Medicare Advantage), you work closely with your main doctor – your Primary Care Provider (PCP) – to get the care you need. You pay no additional costs, other than applicable copayments when you receive services from the HMO's network of providers. If you go to out-of-network doctors or hospitals, you will have to pay for all services (except for emergency or out-of-area urgent care services). A Medicare Managed Care plan has been approved by the Medicare program and receives a monthly premium directly from Medicare for your care.

An HMO Medicare Managed Care plan works the same as an HMO Supplement to Medicare Plan, but with one exception: you must assign your Medicare benefits to Kaiser using the Kaiser Permanente Senior Advantage Election form. You may obtain this form from Kaiser Permanente. When you assign your Medicare benefits to Kaiser, your CalPERS health benefits are coordinated, including payment for authorized services.

Note: The Kaiser Permanente Senior Advantage plan is geographically restricted – you must live in an approved Kaiser Senior Advantage service area or region to enroll. If you cannot enroll in Senior Advantage because you do not reside within an approved Kaiser Senior Advantage region, you must select another Medicare plan available in your service area.

Medicare and COBRA

- If a former employee/enrolled dependent(s) has a Medicare entitlement prior to the election of COBRA, the individual may continue the enrollment through COBRA.
- If a former employee/enrolled dependent(s) becomes Medicare eligible after the election of COBRA, the health plan can cancel the COBRA enrollment.
- Dependents may continue COBRA basic coverage for whatever time remains on their COBRA eligibility or until they become Medicare eligible.

Health Plan Choices for CalPERS Retirees Who Are Working

If you are a working retiree covered by your current employer's health plan, you do not need to enroll in Medicare Parts A and B. However, if you are not enrolled in your current employer's health plan and are eligible for Medicare Parts A and B, you must enroll in a CalPERS-sponsored Medicare plan. You may enroll in a CalPERS-sponsored Medicare plan as follows:

- Any CalPERS Supplement to Medicare (PPO, HMO, or EPO) plan available in either your home or work ZIP code.
- Kaiser Permanente's Medicare Managed Care Plan (Senior Advantage) based on your home ZIP code.

Returning to Work After Enrolling in Medicare

If you return to work after retirement, and you enroll in your employer's or your working spouse's health plan:

- You may cancel your Part B, but must re-enroll when you stop working or are no longer covered by an employer-provided group health plan.
- You must contact CalPERS immediately to change to a Basic plan until you retire or cancel your other group health plan.

Important Reminders

- Do not cancel your Part B after you have signed up for a CalPERS-sponsored Medicare plan. If you cancel your Part B, you will no longer qualify for CalPERS health benefits.
- If the SSA cancels your Part B for non-payment, you will no longer qualify for CalPERS health coverage. You will not be allowed to enroll in a Basic plan.
- When you turn 65 and retire, you must sign up for Medicare Parts A and B. Family members who qualify for Part A through your health insurance must also sign up for Medicare.

Working CalPERS retirees who are eligible for CalPERS health benefits, may enroll in a health plan based on their current work ZIP code. Contact CalPERS at **888 CalPERS** (or 888-225-7377), visit www.calpers.ca.gov, or contact the plan to obtain a list of eligibility ZIP codes before enrolling to assure your work ZIP code is covered by the plan.

Note: By federal rule, the Kaiser Permanente Senior Advantage plan is geographically restricted. Working CalPERS retirees who enroll in Kaiser Senior Advantage cannot use their work ZIP code, only their residential ZIP code.

How Do You Change Your CalPERS-Sponsored Medicare Health Plan?

You may request a plan change within 60 days of your initial eligibility for Medicare, when you move to a new area, or during any Open Enrollment period.

Open Enrollment is held each fall. Retirees who wish to enroll in a health plan, change health plans, or add/delete eligible dependents during Open Enrollment should complete and return the form on page 43 of this booklet. Changes will take effect the following January 1.

The following chart explains how to make changes to and from various health plans.

| The plan you want to leave | The plan you want to start | How to make the change |
|---|---|---|
| HMO Medicare Managed Care plan (Medicare Advantage) | PPO, HMO, or EPO Supplement to Medicare plan | Disenroll from the Medicare Managed Care plan (Medicare Advantage), then sign up for your new Supplement to Medicare plan |
| PPO, HMO, or EPO Supplement to Medicare plan | HMO Medicare Managed Care plan (Medicare Advantage) | Fill out the new plan's enrollment form to assign your Medicare benefits to your new plan. |
| HMO, EPO, or PPO Supplement to Medicare plan | HMO, EPO, or PPO Supplement to Medicare plan | If you are a retiree, contact CalPERS to change plans. If you are an active employee, contact your employer. |

Medicare Plan Enrollment Exceptions

In some cases, retirees or their family members do not qualify for Medicare. Under certain circumstances, they can stay in the CalPERS Basic health plan they had before they retired.

Exception 1: You do not currently qualify for Medicare Part A.

You may not qualify for Part A if you did not earn enough "credits" while you worked. Those credits are earned through jobs covered by Social Security and

Medicare. Most people need 40 credits, or 10 years of work to qualify for premium-free Part A. Call the SSA at 800-772-1213 to find out if you have enough credits.

If you did not earn enough credits, **you may still be able to get Part A.** For example, you may qualify for Part A if your current, former, or deceased spouse earned enough work credits. Once that person is 62, ask SSA if you qualify for Medicare Part A under their entitlement.

If neither you nor your spouse has enough work credits, you may remain in a CalPERS Basic health plan. If you later qualify for Medicare Part A, you must sign up for Medicare Part B and transfer to a CalPERS-sponsored Medicare plan.

Exception 2: You or your spouse worked past age 65 and has coverage through an employer other than CalPERS.

If after age 65, you or your spouse has health insurance from a current, non-CalPERS employer, you may be eligible to defer your Part B enrollment. Contact the SSA for more information. *(Note: This exception does not apply to workers in the CSU System Faculty Early Retirement Program.)*

Exception 3: You qualified for Medicare Parts A and B before January 1, 1985, but you never signed up for Part B.

If this exception applies to you, you can keep the CalPERS Basic health plan you have now. However, you can sign up for Part B if you would like to do so. If you do sign up for Part B, you must contact CalPERS at **888 CalPERS** (or **888-225-7377**) to enroll in a CalPERS-sponsored Medicare plan.

Exception 4: You retired from CSU and turned 65 before January 1, 2001, but never signed up for Part B.

You may sign up for a CalPERS-sponsored Medicare plan if you retired from CSU and turned 65 between January 1, 1985 and January 1, 2001.

Note: CSU employees who turn 65 after January 1, 2001 must enroll in a CalPERS-sponsored Medicare plan to keep their CalPERS health coverage.

Note: If you signed up for Part B, you are not exempt and must contact CalPERS to enroll in a CalPERS-sponsored Medicare plan.

Exception 5: You had Medicare because of a disability, but the SSA determines that you are no longer disabled.

If you are younger than 65 and lose your SSA disability benefits, you will also lose your Medicare coverage. In this case, you must sign up for a CalPERS Basic health plan.

Note: If you choose to end your Part B benefits, this exception does not apply to you.

Exception 6: You are retired and move outside of the United States.

You cannot use Medicare outside the United States. If you leave the country for more than six months, you must choose a CalPERS Basic health plan. If you permanently return to the United States, you:

- Must sign up for Part B during the SSA's General Enrollment period
- May pay a federal surcharge in addition to the premium
- Must enroll in a CalPERS-sponsored Medicare plan

Medicare for Individuals with End-Stage Renal disease

If you have End-Stage Renal disease and you are working, you must remain in the CalPERS Basic health plan during a 30-month period. After the 30-month Medicare benefit coordination period, you must enroll in Part B and change to a CalPERS-sponsored Medicare plan. Failure to do so may jeopardize your CalPERS health benefits.

**MEDICARE AND CALPERS
WORK TOGETHER TO KEEP
YOU COVERED (CONTINUED)**

Note: If you are living outside the U.S., both your foreign and U.S. addresses must be on file; the member and dependents still require Medicare certification.

When you move outside of the United States, you may contact the SSA about canceling Part B when you change your address. However, when you return to the United States, you must re-enroll in Medicare and may pay the surcharge.

Frequently Asked Questions About CalPERS and Medicare

I have decided I do not want Part B benefits. Will this affect my CalPERS-sponsored Medicare plan?

Yes, you must have Medicare Part B to participate in a CalPERS-sponsored Medicare plan. If you cancel your Part B coverage, then you will lose your CalPERS health coverage.

If you do not sign up for Medicare B when you turn 65 and decide to sign up for it later, you may have to pay a federal Part B Penalty Surcharge. This means that you will pay more for every month of your Part B coverage. Contact the SSA at 800-772-1213 for more information about the Part B Penalty Surcharge.

If you want to continue your CalPERS benefits, do not cancel, stop, or choose not to enroll in Part B. If you do so, you will not be able to receive CalPERS-sponsored Medicare health benefits.

Since I must have Medicare Part B in order to keep my CalPERS Health Coverage, how does it help me to have both Part B and a CalPERS-sponsored Medicare plan?

CalPERS-sponsored Medicare plans pay for some of the costs and services not covered by Medicare Part B. For example, eyeglasses are not covered by Part B. (If you have had cataract surgery, you may still qualify for eyeglass insurance under Part B. To learn about your eyeglass coverage, review your current health plan's *Evidence of Coverage* booklet.)

If I am retired from the State and the monthly State contribution is more than the plan's premium, can I get money back when I enroll in a CalPERS-sponsored Medicare plan?

As a State retiree, if you (or a family member) are signed up for a CalPERS-sponsored Medicare plan and the monthly State contribution is more than the plan's monthly premium, CalPERS will credit you the difference between the two amounts, up to the amount of the Part B premium, to assist you with your Part B premium cost. This credit will be shown on your monthly retirement check under the Special Payments section as a "Medicare Reimbursement."

Public agency retirees will not receive a credit if their employer's contribution to their premium exceeds the plan's monthly premium. They will be responsible for their entire monthly Part B premium cost.



How do I switch to a CalPERS-sponsored Medicare plan after retirement?

First, you should sign up for Part B as soon as you qualify. Although most people qualify when they turn 65, some people under age 65 may qualify because of a disability. Once you enroll in Part B, write to CalPERS to let us know that you want to enroll in a CalPERS-sponsored Medicare plan. You must mail us the following:

- A copy of your Medicare card or *Letter of Entitlement* from Social Security;
- A letter asking to change to a CalPERS-sponsored Medicare plan, including your full name as it appears on your Social Security card, your Social Security number, and a daytime telephone number; and
- *Certification of Medicare Status* form.

Mail this information to:

CalPERS
Office of Employer and Member Health Services
Attn: Medicare Program
P.O. Box 942714
Sacramento, CA 94229-2714

Your new CalPERS-sponsored Medicare plan will start on the latter of either the first day of the month following your Medicare effective date or the first day of the month after your written request is received and processed by CalPERS.

I lost my CalPERS health benefits because I stopped my Part B insurance.**How can I get my CalPERS benefits back?**

You must sign up for Part B as soon as possible. If you did not sign up during your Initial Enrollment Period for Medicare, you can only sign up during SSA's annual General Enrollment Period. You will have to pay the federal Penalty Surcharge described previously. You may request re-enrollment in a CalPERS-sponsored Medicare plan after you get Part B benefits.

My spouse is 65 and not retired. I have my health insurance through my spouse. When should I enroll in Part B?

If you are age 65 or older, you must enroll in Part B as soon as your spouse retires. If you do not enroll in Part B when your spouse retires, you may have to pay a higher premium for Part B when you do enroll.

Before I retired, I was enrolled in Kaiser. What do I need to do to switch to an HMO Medicare Managed Care plan?

If you are a Kaiser member and want to change to Kaiser's Senior Advantage plan, contact CalPERS. See the section about this plan on page 25 for more information.



RESOURCE INFORMATION

Where to Get Assistance With Your CalPERS Benefits

If you have questions about your CalPERS health benefits and you are an active member, you should contact your Personnel Office or Health Benefits Officer.

If you are a retiree, you should contact CalPERS at **888 CalPERS** (or **888-225-7377**) or at any of the Regional Offices listed below:

CalPERS Office of Employer & Member Health Services

P.O. Box 942714
Sacramento, CA 94229-2714
888 CalPERS (or **888-225-7377**)
FAX: 916-795-3198

CalPERS Regional Offices

Fresno Regional Office
10 River Park Place East, Suite 230
Fresno, CA 93720
888 CalPERS (or **888-225-7377**)
FAX 559-440-4901

Glendale Regional Office
655 North Central Avenue
Suite 1400
Glendale, CA 91203
888 CalPERS (or **888-225-7377**)
FAX 818-662-4304

Orange Regional Office
500 North State College Blvd.
Suite 750
Orange, CA 92868
888 CalPERS (or **888-225-7377**)
FAX 714-939-4701

Sacramento Regional Office

400 Q St., Room 1820
Sacramento, CA 95814
888 CalPERS (or **888-225-7377**)
FAX 916-795-7917

San Bernardino Regional Office

650 East Hospitality Lane, Suite 330
San Bernardino, CA 92408
888 CalPERS (or **888-225-7377**)
FAX 909-806-4820

San Diego Regional Office

7676 Hazard Center Drive, Suite 350
San Diego, CA 92108
888 CalPERS (or **888-225-7377**)
FAX 619-220-7201

San Francisco Regional Office

301 Howard Street, Suite 2020
San Francisco, CA 94105
888 CalPERS (or **888-225-7377**)
FAX 415-369-8501

San Jose Regional Office

181 Metro Drive, Suite 520
San Jose, CA 95110
888 CalPERS (or **888-225-7377**)
FAX 408-451-8001



Health Plan Directory

Blue Shield of California

P.O. Box 272520
Chico, CA 95927-2520
Member Services: 800-334-5847
www.blueshieldca.com
(for current members)
www.blueshieldca.com/calpers
(for prospective members)

California Association of Highway Patrolmen (CAHP) Health Benefits Trust

(Administered by Blue Cross)
2030 V Street
Sacramento, CA 95818-1730
For eligibility issues contact:
800-734-2247 (CAHP)
916-452-6751 (CAHP)
www.thecahp.org

For benefits or claim information, contact:

Blue Cross of California
Attn: CAHP Unit
P.O. Box 60007
Los Angeles, CA 90060-0007
800-759-5758 (Blue Cross)
www.bluecrossca.com

California Correctional Peace Officers Association (CCPOA) Benefit Trust

(Administered by Blue Shield)
2515 Venture Oaks Way, Suite 200
Sacramento, CA 95833-4235
CCPOA Benefit Trust:
800-468-6486
COBRA: 800-257-6213
www.ccpoabt.org
Blue Shield – CCPOA Member Services Unit:
800-257-6213

Kaiser Permanente

Northern California Region*
1950 Franklin Street
Oakland, CA 94612
Member Service Call Center:
800-464-4000

Kaiser Permanente (cont'd)

Southern California Region*
393 E. Walnut Street
Pasadena, CA 91188
Member Service Call Center:
800-464-4000
www.kaiserpermanente.org

PERS Choice & PERSCare

(Administered by Blue Cross of California)
P.O. Box 60007
Los Angeles, CA 90060-0007
877-PERS PPO or 737-7776
818-234-5141 (outside of the continental U.S.)
818-234-3547 (TDD)
P.O. Box 629 (for direct premium payments)
Woodland Hills, CA 91365-0629
www.calpers.ca.gov

Peace Officers Research Association of California (PORAC) Police & Fire Health Plan

(Administered by Blue Cross of California)
For eligibility issues, contact:
4010 Truxel Road
Sacramento, CA 95834
800-937-6722 (PORAC)
www.porac.org

For benefits or claim information, contact:

Blue Cross of California
Attn: PORAC Unit
P.O. Box 60007
Los Angeles, CA 90060-0007
800-288-6928 (Blue Cross)
www.bluecrossca.com

Western Health Advantage

1331 Garden Highway, Suite 100
Sacramento, CA 95833-9773
888-563-2251
916-563-2251
www.westernhealth.com

Contact your health plan with any questions or requests for the following:

- ID cards
- Verification of provider participation
- Service area boundaries (covered ZIP codes)
- Benefits, deductibles, limitations, and exclusions
- Evidence of Coverage booklets
- Individual conversion policies

* Contact Kaiser Permanente's Member Service Call Center to confirm your region.

Getting Outside Assistance

Your health plan and CalPERS work together to ensure timely delivery of services for you and your family, however, disagreements may occur. You may contact your health plan first and then CalPERS to assist you in resolving any issues. Review the information below to see how your health plan and CalPERS are here to help.

Filing a Grievance

You have a legal right to file a written grievance with your health plan to resolve an issue, complaint, or disagreement, if you feel your plan has not helped you appropriately. Refer to your health plan's *Evidence of Coverage* booklet for more information about your plan's grievance process. Contact your health plan to receive a copy of your plan's *Evidence of Coverage* booklet.

Appealing a Decision

Once you receive a written response about a grievance you have filed, if you are not satisfied with the decision, you may also appeal your plan's decision.

Members in a Health Maintenance Organization (HMO) & Exclusive Provider Organization Plan (EPO)

The California Department of Managed Health Care (DMHC) regulates all HMOs in California. If you are an HMO or EPO health plan enrollee, and you have filed a grievance and are dissatisfied with your HMO's final decision, you may contact the DMHC HMO Customer Help Center at 888-466-2219 or TDD 877-688-9891 to register your complaint. You also may request assistance through DMHC's Web site at www.dmhca.gov. You may contact DMHC if the matter is not resolved within 30 days from the time your grievance was received by your health plan or contact them immediately if the matter is urgent.

If you have filed a grievance and are dissatisfied with your HMO's or EPO's final decision regarding your eligibility for health benefits or limits of coverage under the plan, you may contact CalPERS for assistance.

Members in a Preferred Provider Organization (PPO) Plan

The California Department of Managed Health Care (DMHC) does not regulate PPO health plans. If you are a PPO health plan enrollee, and you have filed a grievance and are dissatisfied with your PPO's final decision, you may contact CalPERS at **888 CalPERS** (or 888-225-7377) for assistance.

Binding Arbitration

Binding arbitration is a method of resolving conflicts used by some health plans. It requires you to agree in advance that any claims or disagreements will be settled through neutral, legally binding resolution, replacing court or jury trials. In some instances, you can choose to appeal to CalPERS rather than go through binding arbitration. If your plan requires binding arbitration, the process will be described in your plan's *Evidence of Coverage* booklet.



The California Patient's Guide

The California Patient's Guide: Your Health Care Rights and Remedies

is intended to inform you of your rights to receive quality health care and what steps you can take if you encounter problems. The full text of the guide is available at www.calpatientguide.org or you can request a copy by calling the HMO Consumer Help Center mentioned above.

Patient Bill of Rights

Why Patient Rights?

As a member of the CalPERS Health Program, you have important rights. These rights protect your privacy, your access to quality health care, and your right to participate fully in medical decisions affecting you and your family.

How and Where to Get Help

If you have a concern about your rights and health care services, we urge you to first discuss it with your physician, hospital, or other provider, as appropriate. Many complaints can be resolved there. Your health plan wants satisfied customers. If you still have concerns, you may have the right to appeal the health plan's decision directly to CalPERS or, in many health plans, through the grievance procedure. Consult your *Evidence of Coverage* booklet for information on the benefits covered or your appeal rights. You can contact CalPERS at **888 CalPERS** (or **888-225-7377**) for further information.

As a patient and a CalPERS member, you have the right to:

- Be treated with courtesy and respect.
- Receive health care without discrimination.
- Have confidential communication about your health.
- Have your medical record or information about your health disclosed only with your written permission.
- Access and copy your medical record.
- Have no restrictions placed on your doctor's ability to inform you about your health status and all treatment options.
- Be given sufficient information to make an informed decision about any medical treatment or procedure, including its risks and benefits.
- Refuse any treatment.
- Designate a surrogate to make your health care decisions if you are incapacitated.
- Access quality medical care, including specialist and urgent care services, when medically necessary and covered by your health plan.
- Access emergency services when you, as a "prudent layperson," could expect the absence of immediate medical attention would result in serious jeopardy to you.
- Participate in an independent, external medical review when covered health care services are denied, delayed, or limited on the basis that the service was not medically necessary or appropriate, after the health plan's internal grievance process has been exhausted.
- Discuss the costs of your care in advance with your provider.

If you have a concern about your rights and health care services, we urge you to first discuss it with your physician, hospital, or other provider, as appropriate. Many complaints can be resolved there. Your health plan wants satisfied customers.

- Get a detailed, written explanation if payment or services are denied or reduced.
- Have your complaints resolved in a fair and timely manner and have them expedited when a medical condition requires treatment.

You can help protect your rights by doing the following:

- Express your health care needs clearly.
- Build mutual trust and cooperation with your providers.
- Give relevant information to your health care provider about your health history, condition, and all medications you use.
- Contact your providers promptly when health problems occur.
- Ask questions if you don't understand a medical condition or treatment.
- Be on time for appointments.
- Notify providers in advance if you can't keep your health care appointment.
- Adopt a healthy lifestyle and use preventive medicine, including appropriate screenings and immunizations.
- Familiarize yourself with your health benefits and any exclusions, deductibles, copayments, and treatment costs.
- Understand that cost controls, when reasonable, help keep good health care affordable.

CalPERS Notice of Privacy Practices

Effective Date: April 14, 2003

This notice describes how medical information about you may be used and disclosed and how you can get access to this information. Please review it carefully.

Why We Ask for Information About You

The Information Practices Act of 1977 and the Federal Privacy Act require CalPERS to provide the following information to individuals who are asked to supply information. The information requested is collected pursuant to the Government Code (Section 20000, et seq.) and will be used for administration of the Board's duties under the Retirement Law, the Social Security Act, and the Public Employees' Medical and Hospital Care Act, as the case may be. Submission of the requested information is mandatory. Failure to supply the information may result in CalPERS being unable to perform its functions regarding your status. Portions of this information may be transferred to other governmental agencies (such as your employer), physicians, and insurance carriers but only in strict accordance with current statutes regarding confidentiality. You have the right to review your CalPERS membership file. For questions concerning your rights under the Information Practices Act of 1977, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

How We Use Your Social Security Number

Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, state, or local governmental agency which requests an individual to disclose a Social Security number shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.



The CalPERS Office of Employer & Member Health Services requests Social Security numbers on a voluntary basis. However, it should be noted that due to the use of Social Security numbers by other agencies for identification purposes, CalPERS may be unable to verify eligibility for benefits without the Social Security number. The CalPERS Office of Employer & Member Health Services uses Social Security numbers for the following purposes only:

- Enrollee identification for eligibility processing and verification
- Payroll deduction and State contribution for State employees
- Billing of public agencies for employee and employer contributions
- Reports to CalPERS and other State agencies
- Coordination of benefits among health plans
- Resolution of member appeals/complaints/grievances with health plans

How We Use and Protect Medical Information About You

We understand that medical information about you and your health is personal and CalPERS is committed to protecting medical information about you which is in our possession. This notice applies to all of the records of your health plan participation generated by CalPERS. The participating health plan in which you are enrolled may have different policies or notices regarding its use and disclosure of your medical information.

If you have any questions about this notice, please contact the Health Insurance Portability and Accountability Act (HIPAA) Coordinator at **888 CalPERS** (or 888-225-7377).

The remainder of this notice will tell you about the ways in which we may use and disclose medical information about you. We also describe your rights and certain obligations we have regarding the use and disclosure of medical information.

The Federal Health Insurance Portability and Accountability Act Privacy Regulations (Title 45, Code of Federal Regulations, sections 164.500, et seq.) require us to:

- Make sure that medical information that identifies you is kept private
- Provide this notice of our legal duties and privacy practices with respect to medical information about you
- Follow the terms of the notice currently in effect

How We May Use and Disclose Medical Information About You

The following categories describe different ways that we use and disclose medical information. For each category of uses or disclosures, we will explain what we mean and try to give some examples. Not every use or disclosure in a category will be listed. However, all of the ways we are permitted to use and disclose information will fall within one of the categories.

- **Health Care Operations.** We may use and disclose medical information about you for CalPERS health benefits operations. These uses and disclosures are necessary to run the CalPERS Health Program and make sure that all of our enrollees receive quality care.

We understand that medical information about you and your health is personal and CalPERS is committed to protecting medical information about you which is in our possession.



For example, we may use and disclose medical information about you to evaluate the performance of the health plan in which you are enrolled, for coordination of benefits among health plans, or to resolve an appeal, complaint or grievance with the health plan. We may also combine medical information about many CalPERS health benefits enrollees to evaluate health plan performance, to assist in rate setting, to measure quality of care provided, or for other health care operations. In some cases, we may obtain medical information about you from a participating health plan, provider or third-party administrator for certain of our health care operations. If the medical information received from others is part of our health care operations, the uses and disclosures would be in accordance with this guideline.

- **Health-Related Benefits and Services.** We may use and disclose medical information to tell you about health-related benefits or services, such as treatment alternatives, disease management, or wellness programs that may be of interest to you.
- **Named Insured.** “Named Insured” refers to the person’s name under whom you are insured, also known as the subscriber. If you are enrolled in the CalPERS Health Program as a dependent, we may release enrollment information about you only to the named insured. However, protected health information can only be released to the individual to whom the health information pertains, or to the named insured in the case of a minor dependent, or to the custodian of an individual who is unable to represent themselves.
- **As Required by Law.** We will disclose medical information about you when required to do so by federal, state, or local law or regulation.
- **To Avert a Serious Threat to Health or Safety.** We may use and disclose medical information about you when necessary to prevent a serious threat to your health and safety or the health and safety of the public or another person. Any disclosure, however, would only be to someone able to help prevent the threat.

Special Situations

- **Workers’ Compensation.** We may release medical information about you for workers’ compensation or similar programs. These programs provide benefits for work-related injuries or illness.
- **Health Oversight Activities.** We may disclose medical information to a health oversight agency for activities authorized by law. These oversight activities include, for example, audits, investigations, inspections, and licensure. These activities are necessary for the government to monitor the health care system, government programs, and compliance with civil rights laws.
- **Lawsuits and Disputes.** If you are involved in a lawsuit or a dispute, we may disclose medical information about you in response to a court or administrative order. We may also disclose medical information about you in response to a subpoena, discovery request, or other lawful process by someone else involved in the dispute, but only if you have been given proper notice and an opportunity to object.

- **Law Enforcement.** We may release medical information if asked to do so by a law enforcement official in response to a court order, subpoena, warrant, summons, or similar process.
- **National Security and Intelligence Activities.** We may release medical information about you to authorized federal officials for intelligence, counterintelligence, and other national security activities authorized by law.
- **Protective Services for the President and Others.** We may disclose medical information about you to authorized federal or state officials so they may provide protection to the President, other authorized persons or foreign heads of state or conduct special investigations.
- **Inmates.** If you are an inmate of a correctional institution or under the custody of a law enforcement official, we may release medical information about you to the correctional institution or law enforcement official. This release would be necessary: (1) for the institution to provide you with health care; (2) to protect your health and safety or the health and safety of others; or (3) for the safety and security of the correctional institution.

Your Rights Regarding Medical Information About You

You have the following rights regarding medical information we maintain about you:

- **Right to Inspect and Copy.** You have the right to inspect and copy protected medical information about you that is maintained by the CalPERS Office of Employer & Member Health Services. In most cases, this consists solely of information concerning your health plan enrollment. In some cases, it may also include information that you have provided to CalPERS to assist with coordination of benefits among health plans or to resolve an appeal, complaint, or grievance against the health plan in which you are enrolled.

To inspect and copy protected medical information about you, you must submit your request in writing to the HIPAA Coordinator at P.O. Box 942714, Sacramento, CA 94229-2714. If you request a copy of the information, we may charge you a fee for the costs of copying, mailing, or other supplies associated with your request.

We may deny your request to inspect and copy in certain very limited circumstances. If you are denied access to medical information, you may request that the denial be reviewed. A licensed health care professional chosen by CalPERS will review your request and the denial. The person conducting the review will not be the person who denied your request. We will comply with the outcome of the review.

- **Right to Amend.** If you feel that protected medical information we have about you is incorrect or incomplete, you may ask us to amend the information. You have the right to request an amendment for as long as the information is kept by the CalPERS Office of Employer & Member Health Services.



RESOURCE INFORMATION (CONTINUED)

You have the right to request a restriction or limitation on the medical information we use or disclose about you for treatment, payment or health care operations.



To request an amendment, your request and any supporting information must be made in writing and submitted to the HIPAA Coordinator at P.O. Box 942714, Sacramento, CA 94229-2714. In addition, you must provide a reason that supports your request.

We may deny your request for an amendment if it is not in writing or does not include a reason to support the request. In addition, we may deny your request if you ask us to amend information that:

- Was not created by us, unless the person or entity that created the information is no longer available to make the amendment
 - Is not part of the medical information kept by or for CalPERS
 - Is not part of the information which you would be permitted to inspect and copy
 - Is accurate and complete
- **Right to an Accounting of Disclosures.** You have the right to request an “accounting of disclosures.” This is a list of the disclosures we made of medical information about you.

To request this list or accounting of disclosures, you must submit your request in writing to the HIPAA Coordinator at P.O. Box 942714, Sacramento, CA 94229-2714. Your request must state a time period, which may not be longer than six years and may not include dates before April 14, 2003. Your request should indicate in what form you want the list (for example, on paper or electronically). The first list you request within a 12-month period will be free. For additional lists, we may charge you for the costs of providing the list. We will notify you of the costs involved and you may choose to withdraw or modify your request at that time before any costs are incurred.

- **Right to Request Restrictions.** You have the right to request a restriction or limitation on the medical information we use or disclose about you for treatment, payment or health care operations. You also have the right to request a limit on the medical information we disclose about you to someone who is involved in your care or the payment for your care, like a family member or friend. For example, you could ask that we not use or disclose information about a surgery you had.

We are not required to agree to your request. If we do agree, we will comply with your request unless the information is needed to provide you emergency treatment.

To request restrictions, you must make your request in writing to the HIPAA Coordinator at P.O. Box 942714, Sacramento, CA 94229-2714. In your request, you must tell us: (1) what information you want to limit; (2) whether you want to limit our use, disclosure or both; and (3) to whom you want the limits to apply, for example, disclosures to your spouse.

- **Right to Request Confidential Communications.** You have the right to request that we communicate with you about medical matters in a certain

way or at a certain location. For example, you can ask that we only contact you at work or by mail at a specific address.

To request confidential communications, you must make your request in writing to the HIPAA Coordinator at P.O. Box 942714, Sacramento, CA 94229-2714. We will not ask you the reason for your request. We will accommodate all reasonable requests. Your request must specify how or where you wish to be contacted.

- **Right to a Paper Copy of This Notice.** If you have accessed this notice via the Internet, you have the right to a paper copy of this notice. You may ask us to give you a copy of this notice at any time. To obtain a paper copy of this notice contact the HIPAA Coordinator at **888 CalPERS** (or **888-225-7377**).

Changes To This Notice

We reserve the right to change this notice. We reserve the right to make the revised or changed notice effective for medical information we already have about you as well as any information we receive in the future. We will post a copy of the current notice on the CalPERS Web site at www.calpers.ca.gov. The notice will contain the effective date on the first page in the top left corner.

Complaints

If you believe your privacy rights have been violated, you may file a complaint with CalPERS or with the Secretary of the Department of Health & Human Services. To file a complaint with CalPERS, contact the HIPAA Coordinator at **888 CalPERS** (or **888-225-7377**). All complaints must be submitted in writing. You will not be retaliated against for filing a complaint.

Other Uses of Medical Information

Other uses and disclosures of medical information not covered by this notice or the laws that apply to us will be made only with your written permission. If you provide us permission to use or disclose medical information about you, you may revoke that permission in writing at any time. If you revoke your permission, we will no longer use or disclose your medical information about you for the reasons covered by your written authorization. You understand, we are unable to take back any disclosures we have already made with your permission, and that we are required to retain our records of your participation in the CalPERS Health Program.

CalPERS Notice of Agreement for Arbitration

Enrolling in the Kaiser Permanente or Western Health Advantage health benefits plan constitutes your agreement that any dispute(s) you have with the plan including medical malpractice, that is as to whether any medical services rendered under this contract were unnecessary or unauthorized or were improperly, negligently or incompetently rendered, as well as any dispute(s) relating to the delivery of service under the plan will be determined by submission to arbitration as provided by California law, and not by a lawsuit or resort to court process except as California law provides for judicial review of arbitration proceedings. By enrolling in one of these plans, you are giving up your constitutional right to have any such dispute decided in a court of law before a jury, and instead are accepting the use of arbitration.



GLOSSARY

Definition of Terms

Annuitant

A retiree, beneficiary, or survivor of the retiree or beneficiary receiving a benefit from CalPERS.

CalPERS Basic plan

A Basic plan provides health benefits coverage to members who are under age 65 or who are over age 65 and still working. Members who are 65 years of age or older and not eligible for Medicare Part A may also be eligible to enroll in a Basic plan.

CalPERS-sponsored Medicare health plan

A CalPERS-sponsored Medicare health plan requires Medicare to assume the role as primary payer for health care costs. This coordination of benefits between Medicare and your CalPERS-sponsored Medicare plan lowers the costs of your health premiums and provides some coverage beyond Medicare.

Copayment

The fee you pay when you receive a covered service or prescription.

Deductible

The amount you must pay for health care before the plan starts to pay.

Dependent

A family member who meets the specific eligibility criteria for coverage in the CalPERS Health Program.

Disenrolling

The steps you follow to end coverage with your current HMO Medicare Managed Care health plan so that you may join a new health plan.

Employer Contribution

The amount your current or former employer may pay to offset the cost of premiums.

Emergency Services

Medical services to treat an injury or illness that could result in serious harm if you don't get care right away.

EPO Supplement to Medicare plan

This plan provides the same coverage as an HMO Supplement to Medicare plan (see page 24), but you do not have to choose a Primary Care Provider and may access services from the plan's Preferred Provider network rather than only from the HMO network. Medicare is the primary payer, and the plan covers costs and services that are not covered by Medicare but provided through your CalPERS coverage. This plan is only available to CalPERS members in certain California counties.

Faculty Early Retirement Program

A program for California State University (CSU) retirees who continue to work for CSU after retirement.

General Enrollment Period (GEP)

The time when you can sign up for a Medicare plan or change your Medicare plan. Medicare's General Enrollment Period runs from January 1 to March 31 each year. Visit the Medicare Web site at www.medicare.gov for more information.

Health Insurance Portability & Accountability Act (HIPAA)

This federal law protects health insurance coverage for workers and their families when they change or lose their jobs. It also includes provisions for national standards to protect the privacy of personal health information.

HMO Medicare Managed Care (Medicare Advantage) plan

This plan contracts directly with Medicare to provide Medicare coverage. You "assign" your Medicare benefits to the plan, and the plan is the primary payer. As with the HMO Supplement to Medicare Plan, this plan covers some costs and services that are not covered by Medicare but provided through your CalPERS coverage. You must access services only from the HMO's provider network (except emergency and urgent care), and all your care is coordinated by your Primary Care Provider. You pay no deductible, and your only costs are copayments for some services.

HMO Supplement to Medicare plan

This plan supplements Medicare coverage provided through Part A (hospital) and Part B (outpatient). You must access services only from providers in the HMO network (except emergency and urgent care), and all your care is coordinated by your Primary Care Provider. You pay no deductible, and your only costs are copayments for some services. Medicare is the primary payer, and the plan covers some costs and services that are not covered by Medicare but provided through your CalPERS coverage.

Initial Enrollment Period (IEP)

The IEP is the first chance you have to enroll in Medicare Part B. The IEP starts 3 months before you first meet all the eligibility requirements for Medicare and continues for 7 months.

Medicare Assignment

A process which requires you to complete a form assigning your Medicare benefits to your HMO Medicare Managed Care plan (Medicare Advantage). Your Medicare assignment ensures proper coordination of Medicare and CalPERS health plan benefits, including coordination of payment. Medicare assignment is required for enrolling in the Medicare Advantage Plan.

As of the date of this publication, CalPERS has only one HMO Medicare Advantage plan—Kaiser Permanente’s Senior Advantage plan.

Out-of-Network Provider

A doctor who does not contract with your health plan. Usually, you will pay more to visit an out-of-network doctor.

Out-of-Pocket Costs

Generally refers to the actual costs individuals pay to receive health care. These costs are the total of the premium (minus any employer contribution) plus any additional costs such as copayments and deductibles.

Open Enrollment Period

A period of time, as determined by the CalPERS Board of Administration, when you can enroll or change health plans or add eligible family members who are not currently enrolled in the CalPERS Health Program.

Preferred Provider

A doctor who contracts with your health plan and agrees to charge certain rates for care. Usually you will pay less when you see a preferred doctor.

Premium

The amount charged by a health plan to provide health benefits coverage. Employee costs for premiums may be reduced by employer contributions.

Primary Care Provider (PCP)

The doctor who works with you and other doctors to provide, prescribe, approve, and coordinate all your medical care and treatment. (Blue Shield uses the term “Personal Physician.”)

Service Area

The geographic area in which your health plan provides coverage. You must live or work in the plan’s service area to enroll in and remain enrolled in a plan. For some plans, the Medicare service area may not be identical to the Basic service area.

Specialist

A doctor who has special training in a specific kind of medical care, for example, cardiology (heart), neurology (brain), or oncology (cancer).

Urgently Needed Services

A non-emergency situation when you need to see a doctor, but are away from your health plan’s service area. See your health plan’s *Evidence of Coverage (EOC)* booklet for more details.

FORMS

Instructions – Open Enrollment Change Request Form for Retirees

The Open Enrollment period allows you the opportunity to change your health plan, eligible dependents, or enroll in a health plan. Any health plan changes during Open Enrollment become effective the following January 1. To make an Open Enrollment change, complete the request form (HBD-30), and mail it to CalPERS. If you prefer, you can call CalPERS and make changes over the phone. All changes are subject to verification of eligibility. Call CalPERS for eligibility information.

| | |
|--|--|
| Mail the HBD-30 and all other requests to: Office of Employer & Member Health Services P.O. Box 942714 Sacramento, CA 94229-2714 | For further information, please contact: Toll Free: 888 CalPERS (or 888-225-7377) TTY: 800-735-2929 FAX: 916-795-1277 |
|--|--|

| INSTRUCTIONS FOR COMPLETING HBD-30 | |
|------------------------------------|---|
| TYPE OF CHANGE | Check the type of change(s) you are making. |
| RETIREE INFORMATION | Complete all retiree information. Be sure to include the name of the agency from which you retired. |
| HEALTH PLAN | Before requesting a plan change, verify that the doctor you want is contracted with the health plan and accepting new patients. If not, you will need to find another doctor who contracts with the new plan. |
| DEPENDENT INFORMATION | <p>List only the dependents you are adding. All dependents currently enrolled on your health plan will remain on your plan. Adding a spouse requires a copy of your <i>Marriage License</i>. Adding a domestic partner requires a registered <i>Declaration of Domestic Partnership</i> form.</p> <p>Important: If the dependent(s) you are adding is eligible for Medicare Parts A and B, a copy of the Medicare card or <i>Notice of Entitlement</i> letter must be returned with this form.</p> |
| RETIREE'S SIGNATURE | The signature of the retired member is required. |

NOTE

- Be sure to report changes to CalPERS in a timely manner to avoid retroactive reimbursement liability.
- After changing your health plan, be sure to examine your retirement check to verify that the proper deduction is made. If the deduction is incorrect, call CalPERS to report the discrepancy.
- If you are enrolled in a Medicare Managed Care plan (Medicare Advantage) and are switching to a Supplement to Medicare plan, you must contact your current health plan or the nearest Social Security Administration office to disenroll your Medicare benefits from your current Medicare Managed Care plan (Medicare Advantage). If you do not disenroll, Medicare will not pay your new health plan for services.

Do not use this form to cancel your health coverage or delete a dependent. Make your request by calling or writing CalPERS. Include your Social Security number, daytime phone number, mailing address, the type of change, and the reason for change. The effective date for change, other than Open Enrollment changes, depends on the reason for the requested change and date received. For more information on effective dates, call CalPERS at **888 CalPERS** (or 888-225-7377)

Changing Plans? Open Enrollment plan changes can be done over the phone by calling 888 CalPERS (or 888-225-7377)

Date Called: _____

Name of Representative: _____

To save time, complete this form before you call to request changes over the phone.

Open Enrollment Change Request Form For Retirees

(For Retirees only. Active employees - contact your Personnel Office.)

Changes effective the following January 1.

TYPE OF CHANGE

- ☐ **Change My Health Plan.** (Complete *Retiree Information*, *Health Plan*, and *Retiree Signature*.)
- ☐ **Add Eligible Dependents to My Health Plan.*** (Complete *Retiree Information*, *Dependent Information*, and *Retiree Signature*.)
- ☐ **Enroll in a Health Plan.**** (Complete all sections.)

RETIREE INFORMATION

| | | | | |
|--|--|--------------------------------|--|-------------------------|
| Social Security Number - - | Last Name | First Name | MI | Retirement Date (MM/YY) |
| Date of Birth (MM/DD/YYYY) | Home Address | Mailing Address (if different) | | Apt/Unit # |
| Daytime Phone Number () | City | State | ZIP | County (residence) |
| Male <input type="checkbox"/> Female <input type="checkbox"/> Name of agency or school district retired from: | Are you or any of your dependents on Medicare disability? Member <input type="checkbox"/> Yes <input type="checkbox"/> No Dependent <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, send a copy of Medicare cards. | | Are you or any of your dependents enrolled in both Parts A & B of Medicare?* | |
| | Member <input type="checkbox"/> Yes <input type="checkbox"/> No Dependent <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, send a copy of Medicare cards. | | | |

HEALTH PLAN

| | |
|-------------------------|---|
| Name of New Health Plan | Name of Doctor/Medical Group (include ID#s, if known) |
|-------------------------|---|

DEPENDENT INFORMATION

| Dependents to be Added | Social Security Number | Date of Birth (MM/DD/YYYY) | Relationship | Doctor or Medical Group |
|------------------------|------------------------|----------------------------|--------------|-------------------------|
| | - - | | | |
| | - - | | | |
| | - - | | | |
| | - - | | | |

RETIREE'S SIGNATURE

By signing this form, I elect to change to the plan indicated above and/or add eligible family members. I also certify that the health information listed above is true and complete and authorize deductions, if applicable, to be made from my retirement allowance to cover my share of the cost of enrollment.

| | | |
|----------------------------|------------------|--|
| Signature of Retiree _____ | Date Form Signed | |
| | | |

* Adding a spouse requires a copy of your marriage license. Adding a domestic partner requires a registered Declaration of Domestic Partnership. Adding an economically-dependent child requires an Affidavit of Eligibility. Contact your former employer or CalPERS for more information concerning eligibility requirements.

** You can enroll in the CalPERS Health Program if you:

- Retired from the State of California, a school district, or a public agency that contracts with CalPERS to provide health benefits for its retirees,
- Are receiving a retirement check, and
- Retired within 120 days from the day you separated from your job.

HBD-30 (8/06)

| HEALTH PLAN CHOICE WORKSHEET | | | | | | | | |
|------------------------------|---|--------|-----|-----|-----------------|--------|-----|-----|
| | Plan names and phone numbers: | | | | | | | |
| | Select the type of plan: (circle choice) | PPO | HMO | EPO | ASSOC. PLAN♦ | PPO | HMO | EPO |
| STEP 1 | Call the plan's customer service center and ask if the plan is available in your home or work ZIP code. | Yes No | | | | Yes No | | |
| | Ask for a provider directory or the names of doctors accepting new patients. | | | | | | | |
| | <i>Call the doctor's office.</i> Confirm that they contract with the plan and are accepting new patients. Ask what specialists are available and the hospitals with which they are affiliated. | | | | | | | |
| STEP 2 | How did the plan rate in "quality"? (See the <i>Quality Report</i> .)♦♦ | | | | | | | |
| | How did the plan rate in "satisfaction"? (See the <i>Quality Report</i> .)♦♦ | | | | | | | |
| | <i>Compare the "benefits."</i> Look at the <i>Health Benefit Summary</i> ♦♦ booklet. CalPERS plans offer a standard package of benefits, but there are some differences: acupuncture, chiropractic, etc. | | | | | | | |
| STEP 3 | <i>Calculate your monthly cost.</i> Enter the monthly premium (see current year's rate schedule). Premium amounts will vary based on 1 party/2 party/family and Basic/Medicare. | \$ | | | | \$ | | |
| | Enter your employer's contribution (for contribution amounts, active members should contact their employer; retired members should contact CalPERS). | \$ | | | | \$ | | |
| | Calculate your cost. Subtract your employer's contribution from the monthly premium. If the total is \$0 or less, your cost is \$0. | | | | | | | |
| | <i>Other considerations:</i> Does the plan offer health education? Do you or your family have special medical needs? What services are available when you travel? Are the provider locations convenient? | | | | | | | |
| | What changes are you planning in the upcoming year (i.e., retirement, transfer, move, etc.)? | | | | | | | |
| | Other information | | | | | | | |
| | Compare and select a plan. | | | | | | | |

- ♦ You must belong to the specific employee association and pay applicable dues to enroll in the Association Plans.
- ♦♦ The *Quality Report* and *Health Benefit Summary* can be viewed online at www.calpers.ca.gov, or you may order by calling 888 CalPERS (or 888-225-7377).



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www.calpers.ca.gov